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# Housing Authority Of Town of Vivian, Louisiana

Financial Statements and Supplemental Financial Information

September 30, 2004

Under provisions of state law, this report is a public document. Acopy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date <u>5/4/05</u>

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# Housing Authority of the Town of Vivian

609 Redbud Court Vivian, LA 71082 Tel: (318) 375-2381 Fax:(318) 375-4824

#### MANAGEMENT'S DISCUSSION AND ANALYSIS

This section of Housing Authority's annual financial report presents our discussion and analysis of the Authority's financial performance during the fiscal year ended September, 30, 2004. Please read it in conjunction with the Independent Accountant's Report on page 3 and the Authority's financial statements on pages 8, 9, 10, 17, 18, 19, 20, and 21.

#### FINANCIAL HIGHLIGHTS:

- The Authority's total combined capital assets (net of accumulated deprecation of \$1,991,869) were \$516,618 while the total net assets were \$777,189 at September 30, 2004. Bonds and notes of the Authority are payable by HUD and secured by annual contributions. The bonds and notes do not constitute a debt by the Authority and accordingly, have not been reported in the accompanying financial statements. This debt has been reclassified to HUD equity.
- During the year, the Authority has a combined operating loss before nonoperating revenues and expenses of (\$121,604). After nonoperating revenues and expenses and prior period adjustments there was a net change in assets of \$304,595. There were no capital contributions during the year.
- In the Authority's business- type activities, expenses increased \$7,799. This increase in expenses was due to an increase in depreciation expense by \$2,500 and an increase in contract cost of \$12,096. The Authority had total expenses of \$250,581; of this amount \$249,385 was operating expenses, \$1,196 was extraordinary maintenance, while \$26,361 was depreciation expense which is a non-cash transaction.
- The total cash flow of the Authority's programs had an increase in cash of \$82,382 in comparison to a \$17,908 increase for the year-end September 30, 2003.
- This is the first year for implementation of "GASB 34" reporting model.
- Comparative information will be available in future years when that information becomes available.

#### **OVERVIEW OF THE FINANCIAL STATEMENTS:**

This annual report consists of three parts – management's discussion and analysis, the basic financial statements, and required supplementary information. The basic financial statements include one kind of statement listed below.

• Proprietary fund statements offer short and long-term financial information about the activities the government manages like a business. These services for which the authority charge tenants a fee are reported in this section.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data.

The Authority has the following type of fund:

Proprietary Funds

#### **CONTACTING THE AUTHORITY'S FINANCIAL MANGEMENT:**

This financial report is designed to provide our citizens, customers, and creditors with a general overview of the Authority's finances and to demonstrate the Authority's accountability for the money it receives. If you have questions about this report or need additional information, contact Bobby Abraham, director of the Housing Authority of Vivian, 609 Redbud Court, Vivian, LA 71082, at (318) 375-2381.

# JOHN R. VERCHER PC Certified Public Accountant

P.O. Box 1608 Jena, Louisiana 71342 Tel: (318) 992-6348 Fax: (318) 992-4374

#### INDEPENDENT ACCOUNTANT'S REPORT

Housing Authority of the Town of Vivian, Louisiana

I have reviewed the accompanying financial statements of the business-type activities of the Housing Authority of the Town of Vivian, Louisiana as of and for the year ended September 30, 2004, which collectively comprise the Housing Authority's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Housing Authority of the Town of Vivian, Louisiana's management.

My review was conducted in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants and applicable standards of Government Auditing Standards issued by the Comptroller General of the United States of America. A review consists principally of inquiries of Housing Authority personnel and analytical procedures applied to financial data. It is substantially less in scope than an audit in accordance with generally accepted auditing standards, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, I do not express such an opinion.

Based on my review, I am not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with generally accepted accounting principles.

In accordance with the Louisiana Governmental Audit Guide and the provisions of state law, I have issued a report, dated January 15, 2005, on the results of my agreed-upon procedures.

The management's discussion and analysis is not a required part of the basic financial statements but is supplementary information required by the Governmental Accounting Standards Board. Such information has not been subjected to the inquiry and analytical procedures applied in the review of the basic financial statements, but was compiled from information that is the representation of management, without audit or review. Accordingly, I do not express an opinion or any other form of assurance on the supplementary information.

John R. Vercher

Jena, Louisiana January 15, 2005

# JOHN R. VERCHER PC

# Certified Public Accountant

P.O. Box 1608 Jena, Louisiana 71342 Tel: (318) 992-6348 Fax: (318) 992-4374

#### INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

To the Housing Authority of the Town of Vivian, Louisiana

I have performed the procedures included in the Louisiana Government Audit Guide and enumerated below, which were agreed to by the management of the Housing Authority of the Town of Vivian and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about the Housing Authority of the Town of Vivian's compliance with certain laws and regulations during the year ended September 30, 2004 included in the accompanying Louisiana Attestation Questionnaire. This agreed-upon procedures engagement was performed in accordance with standards established by the American Institute of Certified Public Accountants and applicable standards of Government Auditing Standards. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, I make no representation regarding the sufficiency of the procedures described below whether for the purpose for which this report has been requested or for any other purpose.

#### Public Bid Law

- 1. Select all expenditures made during the year for material and supplies exceeding \$20,000, or public works exceeding \$100,000, and determine whether such purchases were made in accordance with LSA-RS 38:2211-2251 (the public bid law).
- \*My review found no expenditures for public works exceeding \$100,000 or expenditures for materials and supplies exceeding \$20,000.

Code of Ethics for Public Officials and Public Employees

- 2. Obtain from management a list of the immediate family members of each board member as defined by LSA-RS 42:1101-1124 (the code of ethics), and a list of outside business interests of all board members and employees, as well as their immediate families.
- \*I obtained a list from the PHA.
- 3. Obtain from management a listing of all employees paid during the period under examination.
- \*I obtained a listing of all employees from the PHA.
- 4. Determine whether any of those employees included in the listing obtained from management in agreed-upon procedure (3) were also included on the listing obtained from management in agreed-upon procedure (2) as immediate family members.
- \*None of the employees included on the list of employees provided by PHA appeared on the list provided by PHA in agreed-upon procedure (2).

#### Budgeting

- 5. Obtain a copy of the legally adopted budget and all amendments.
- \*The PHA is an enterprise fund and budgeting is not required. The PHA prepares a budget on its operations on a governmental fund basis and therefore is not comparable to the financial statements on an enterprise fund basis.

- 6. Trace the budget adoption and amendments to the minute book.
- \*Not applicable.
- 7. Compare the revenues and expenditures of the final budget to actual revenues and expenditures to determine if actual revenues failed to meet budgeted revenues by 5% or more or if actual expenditures exceed budgeted amounts by 5% or more.
- \*Not applicable.

Accounting and Reporting

- 8. Randomly select 6 disbursements made during the period under examination and :
  - (a) trace payments to supporting documentation as to proper amount and payee;
- \*I randomly selected six disbursements using a random number generator. I examined supporting documents for each of the six selected disbursements and found that payment was for the proper amount and made to the correct payee.
  - (b) determine if payments were properly coded to the correct fund and general ledger account; and
- \*All of the payments were properly coded to the correct fund and general ledger account.
  - (c) determine whether payments received approval from proper authorities.
- \*All of the payments received approval from proper authorities.

#### Meetings

- 9. Examine evidence indicating that agendas for meetings recorded in the minute book were posted or advertised as required by LSA-RS 42:1 through 42:12 (the open meetings law).
- \*Inquiries of management found that notices were posted at the business office of the PHA of the meetings' time, place, and agenda.

#### Debt

- 10. Examine bank deposits for the period under examination and determine whether any such deposits appear to be proceeds of bank loans, bonds, or like indebtedness.
- \*I reviewed the books and records of the PHA and found no deposits or entries that appeared to be loans.

#### Advances and Bonuses

- 11. Examine payroll records and minutes for the year to determine whether any payments have been made to employees which may constitute bonuses, advances, or gifts.
- \*My review of the payroll records and discussions with PHA personnel found no evidence of bonuses, advances or gifts being made.

My prior year report, dated December 17, 2003, did not include any comments or unresolved matters.

I was not engaged to, and did not, perform an examination, the objective of which would be the expression of an opinion on management's assertions. Accordingly, I do not express such an opinion. Had I performed additional procedures, other matters might have come to my attention that would have been reported to you.

This report is intended solely for the use of management of the Housing Authority of the Town of Vivian and the Legislative Auditor, State of Louisiana, and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

John R. Vercher

Jena, Louisiana January 15, 2005

# **Basic Financial Statements**

## Housing Authority of the Town of Vivian Vivian, Louisiana Combined Statement of Net Assets September 30, 2004 FW - 438

ASSETS		Enterprise Funds
Current Assets:		
Cash and Cash Equivalents	\$	185,478
Investments	-	94,603
Receivables (Net of Allowances For		,
Uncollectables)		28
Inventory		332
Prepaid Items		9,870
Interprogram Due From		9,631
Total Current Assets	\$	299,942
Non-Current Assets:		
Capital Assets (Net of Accumulated		
Depreciation)	\$	516,618
Total Non-Current Assets	\$	516,618
TOTAL ASSETS	\$	816,560
LIABILITIES		
Current Liabilities		
Accrued Pilot	\$	9,578
Accounts Payable		4,479
Deferred Revenues		9,631
Interprogram Due To		9,631
Total Current Liabilities	\$	33,319
Non-Current Liabilities		
Tenant Security Deposits		6,052
Total Non-Current Liabilities	\$	6,052
NET ASSETS		
Invested in Capital Assets, Net of Related Debt	\$	516,618
Unrestricted		260,571
TOTAL NET ASSETS	\$_	777,189

See accountant's report.

The accompanying notes are an integral part of this statement.

## Combined Statement of Revenues, Expenses, and Changes In Net Assets – Proprietary Funds Year Ended September 30, 2004 FW – 2265

	 Enterprise Fund
Operating Revenues:	
Tenant Revenue	\$ 125,000
Other Revenue	 2,781
Total Operating Revenue	\$ 127,781
Operating Expenses	
Administration:	
Administrative Salaries	\$ 50,586
EBC Administrative	3,984
Other Operating - Administrative	12,750
Tenant Services	
Tenant Services Salaries	11,191
EBC Tenant Services	771
Cost of Sales & Service:	
Water	18,817
Electricity	3,402
Other Utilities	7,002
Ordinary Maintenance - Labor	36,765
Materials	19,892
Contract Cost	21,050
EBC Maintenance	2,823
Insurance	24,413
Payment in Lieu of Taxes	9,578
Depreciation	26,361
Total Operating Expenses	\$ 249,385
Operating Income (Loss)	\$ (121,604)
Nonoperating Revenue (Expense)	
HUD PHA Operating Grant	\$ 239,286
Federal Grants	121,991
Interest Earnings	1,759
Extraordinary Maintenance	 (1,196)
Total Nonoperating Revenue (Expenses)	\$ 361,840
Income (Loss) Before Contributions,	
Transfers and Prior Period Adjustments	\$ 240,236
Capital Contributions	\$ <b>-</b> 0-
Prior Period Adjustments	 64,359
Change in Net Assets	\$ 304,595
Total Net Assets – Beginning	 472,594
Total Net Assets - Ending	\$ 777,189

## Combining Statement of Cash Flows Year Ended September 30, 2004 FW - 438

r vv - 436		
		Enterprise Fund
Cash Flows From Operating Activities	_	
Receipts From Customers and Users	\$	127,961
Payments to Suppliers		(125,538)
Payments to Employees		(88,647)
Payment in Lieu of Taxes		(8,247)
Net Cash Provided by Operating Activities	\$	(94,471)
	Ψ	(27,471)
Cash Flows From NonCapital Financing Activities		
Subsidy From Federal Grants	\$	252,607
Subsidy From Operating Grants		114,860
Net Cash Provided (used) by NonCapital		
Financing Activities	\$	367,467
ŭ		·
Cash Flows From Capital and Related Financing Activities		
Other	\$	954
	Þ	856 (252.607)
Acquisition and Construction of Capital Assets		(252,607)
Net Cash Provided (used) by Capital and Related	•	(051 051)
Financing Activities	\$	(251,751)
Cash Flows From Investing Activities		
Investments	\$	59,378
Interest and Dividends Received		1,759
Net Cash Provided (used) by Investing Activities	\$	61,137
Net Increase (Decrease) in Cash and Cash Equivalents	\$	82,382
Cash, Beginning of Year	\$	103,096
Cash, End of Year	\$	185,478
	_	
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities	_	
Operating Income (Loss)	\$	(121,604)
Depreciation Expense	\$	20,171
(Increase) Decrease in Accounts Receivable		768
(Increase) Decrease in Inventories		(332)
(Increase) Decrease in Prepaid Items		6,839
Increase (Decrease) in Accrued Pilot		1,331
Increase (Decrease) in Customer Deposits		180
Increase (Decrease) in Accounts Payable		188
Increase (Decrease) in Compensated Absences		(1,296)
Increase (Decrease) in Deferred Revenues		(716)
Total Adjustments	\$	27,133
Net Cash Provided by Operating Activities	\$	(94,471)
Listing of Noncash Investing, Capital, and Financial Activities		
Contributions of Capital Assets From Government	\$	-0-
Continuenting of Cabian Useem Light Coloningth	<b></b>	

See accountant's report.

The accompanying notes are an integral part of this statement

#### NOTES TO THE FINANCIAL STATEMENTS

#### INTRODUCTION

The Housing Authority of Vivian is an 80 unit apartment complex for persons of low income located in Vivian, Louisiana. The Authority is chartered as a public corporation for the purpose of administering decent, safe and sanitary dwelling for persons of low-income.

Legal title to the Authority is held by the Housing Authority of the Town of Vivian, Louisiana, a non-profit corporation. The Authority is engaged in the acquisition, modernization, and administration of low-rent housing. The Authority is administered by a governing Board of Commissioners (the Board), whose members are appointed by the Mayor of Vivian, Louisiana. Each member serves a four-year term and receives no compensation for their services. Substantially all of the Authority's revenue is derived from subsidy contracts with the U. S. Department of Housing and Urban Development (HUD). The annual contributions contracts entered into by the Authority and HUD provide operating subsidies for Authority-owned public housing facilities for eligible individuals.

Under the United States Housing Act of 1937, as amended, the U.S. Department of Housing and Urban Development (HUD) has direct responsibility for administering low-income housing programs in the United States. Accordingly, HUD has entered into a contract with the entity to make annual contributions (subsidies) for the purpose of funding its programs for low-income families.

#### 1. SUMMARY OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES

#### A. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

The government-wide financial statements (i.e., the statement of net assets and the statement of changes in net assets) report information on all of the activities of the primary government and its component units. For the most part, the effect of the Interfund activity has been removed from these statements. The housing authority uses enterprise funds to account for its activities.

Separate financial statements are provided for the proprietary funds.

#### B. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The housing authority reports the following major proprietary funds:

- The Low Rent Fund is the housing authority's primary operating fund. It accounts for all financial resources of the housing authority, except those required to be accounted for in another fund.
- The CFP Fund is the housing authority's grant operating fund. It accounts for all financial resources of the capital fund projects.

#### NOTES TO THE FINANCIAL STATEMENTS - (CONTINUED)

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in the proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to their same limitation. The housing authority has elected not to follow subsequent private-sector guidance.

As a general rule, the effect of Interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes and other charges between the government's enterprise operations. Elimination of these charges would distort the direct cost and program revenues reported for the various functions concerned.

Operating revenues and expenses have been reported separately from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with an enterprise fund's principal ongoing operations. The primary operating revenue of the housing authority is derived from tenant revenue. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the housing authority's policy to use restricted resources first, then unrestricted resources as they are needed.

#### C. DEPOSITS AND INVESTMENTS

The housing authority's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. State law and the housing authority's investment policy allow the housing authority to invest in collateralized certificated of deposits, government backed securities, commercial paper, the state sponsored investment pool, and mutual funds consisting solely of government backed securities.

Investments (bank certificate of deposits in excess of 90 days) for the housing authority are reported at fair value.

#### D. RECEIVABLES AND PAYABLES

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year referred to as either "due to/from other funds" (i.e., the current portion of Interfund loans) or "advances to/from other funds" (i.e., the non-current portion of Interfund loans). All other outstanding balances between funds are reported as "due to/from other funds."

Advances between funds, as reported in the accompanying financial statements, are offset by a restriction on net assets. All trade and other receivables are shown net of an allowance for uncollectives.

#### E. INVENTORIES AND PREPAID ITEMS

All inventories are valued at cost using the first-in/first out method. Inventories are recorded as expenditures when consumed rather than when purchased. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

#### NOTES TO THE FINANCIAL STATEMENTS - (CONTINUED)

#### F. CAPITAL ASSETS

Capital Assets, which include property, plant, equipment, and infrastructure assets are reported in the applicable columns in the government-wide financial statements. Capital assets are capitalized at historical cost. The housing maintains a threshold level of \$500 or more for capitalizing capital assets.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

All Capital Assets, other than land, are depreciated using the straight-line method over the following useful lives:

<u>Description</u>	Estimate	ed Lives
Land improvements	20	years
Buildings and building improvements	20	years
Furniture and fixtures	5	years
Vehicles	5	years
Equipment	5	years

#### G. LONG-TERM OBLIGATIONS

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

#### H. EXTRAORDINARY AND SPECIAL ITEMS

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events within the control of the housing authority, which are either unusual in nature or infrequent in occurrence.

#### I. ESTIMATES

The preparation of financial statements inconformity with accounting principles generally accepted in the United States of America require management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues, expenditures, and expenses during the reporting period. Actual results could differ from those estimates.

#### NOTES TO THE FINANCIAL STATEMENTS - (CONTINUED)

## 2. CASH AND INVESTMENTS (CD'S IN EXCESS OF 90 DAYS)

At September 30, 2004, the housing authority has cash and investments (book balances) totaling \$208,081 as follows:

Demand deposits	\$ 124,411
Time deposits	155,620
Other	 50
Total	\$ 280,081

These deposits are stated at cost, which is approximated market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties.

Cash and Investments are categorized into these three categories of credit risk:

- 1. Insured or registered, or securities held by the housing authority or its agent in the housing authority's name.
- 2. Uninsured and unregistered, with securities held by the counter party's trust department or agent in the housing authority's name.
- 3. Uninsured and unregistered, with securities held by the counter party, or by its trust department or agent but not in the housing authority's name.

At fiscal year-end, the housing authority's investment balances were as follows:

Demand Deposits	\$ 124,411
Money Market	61,017
Certificate of Deposit	94,603
Total	\$ 280,031

			Category		Fair Market
Type of Investment		1	2	3	Value
FDIC (Category 1)	<u> </u>	200,000	\$ -0-	\$ -0-	\$ 200,000
Securities (Category 2)		-0-	80,031	<b>-</b> 0-	80,031
Total	\$ _	200,000	\$ 80,031	\$ -0-	\$ 280,031

#### 3. RECEIVABLES

The receivables of \$ 28 September 30, 2004 are as follows:

	Low
Class of Receivables	 Rent
Accrued Interest Receivable	\$ 28
Allowance for doubtful accounts	-0-
Total	\$ 28

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#### NOTES TO THE FINANCIAL STATEMENTS - (CONTINUED)

#### 4. <u>CAPITAL ASSETS</u>

All fixed assets are stated at cost. The fixed assets are depreciated using the straight-line method of depreciation with lives ranging from 5-40 years. Changes in fixed assets are as follows:

Low Rent		Beginning of Períod		Additions		Deletions		End of Period
Land & Land Improvements	\$_	261,930	\$	-0-	\$	-0-	\$	261,930
Total capital assets, not being depreciated	\$_	261,930	\$	-0-	\$_	-0-	\$	261,930
Buildings		1,664,470		149,859		-0-		1,814,329
Equipment		187,638		-0-		(15,027)		172,611
Construction in Progress	\$	148,977	\$	110,640	\$	-0-	\$	259,617
Total capital assets being depreciated	\$	2,001,085	\$	260,499	\$	(15,027)	\$	2,246,557
Less Accumulated Depreciation	\$	1,971,698	\$	20,171	\$	<del>-</del> 0-	\$	1,991,869
Total Assets Being Depreciated, Net	\$_	29,387	•-				\$_	254,688

All land and buildings are encumbered by a Declaration of Trust in favor of the United States of America as security for obligations guaranteed by the government and to protect other interests of the government.

Depreciation expense was \$20,171 for the year ended September 30, 2004.

#### 5. ACCOUNTS, SALARIES AND OTHER PAYABLES

The payables of \$14,057 at September 30, 2004 are as follows:

Accrued Pilot	\$ 9,578
Accounts Payable	4,479
Total	\$ 14,057

#### 6. LONG-TERM OBLIGATIONS

To provide for the development and modernization of low-rent housing units, the PHA issued New Housing Authority Bonds and Permanent Notes-FFB. These bonds and notes are payable by HUD and secured by annual contributions. The bonds and notes do not constitute a debt by the Authority, and accordingly, have not been reported in the accompanying financial statements. This debt has been reclassified to HUD equity.

#### 7. <u>CONTINGENT LIABILITIES</u>

At September 30, 2004, the housing authority is subject to possible examinations made by federal regulators who determine compliance with terms, conditions, laws and regulations governing grants given to the housing authority in the current and prior years. These examinations may result in required refunds by the housing authority to federal grantors and/or program beneficiaries.

# Other Supplemental Statements and Schedules

# Housing Authority of the Town of Vivian Vivian, Louisiana Combining Statement of Net Assets September 30, 2004 FW - 438

					Ent	Enterprise Funds	spu				
					Major	Major Enterprise Funds	e Funds				
	<b>-</b>	Low Rent		2000	2001	    -	2002		2003	1	Total
ASSETS											
Current Assets:	,						,	,		,	
Cash and Cash Equivalents	6/3	185,478 \$		<b>⊹</b>		-0-	o O	<del>69</del>	¢	<del>∽</del>	185,478
Investments		94,603		þ		<b>.</b>	<del>-</del> 0		<b>-</b>		94,603
Receivables (Net of Allowances For Uncollectable)		28		<b>-</b> 0-		ф	o o		¢		28
Inventory		332		þ		þ	þ		o		332
Prepaid Items		9,870		þ		o <mark>-</mark>	¢		¢		9,870
Interprogram Due From		0	,	<b>-</b>		¢	5,760		3,871		9,631
Total Current Assets	€5	290,311 \$		\$ -0-		\$ -0-	5,760	<u>چ</u>	3,871	<del>\$</del>	299,942
Non-Current Assets:	•										
Capital Assets (Net of Accumulated Depreciation)	6 <del>7</del> 6	i			13,		127,241	€> 6	ф °	€7 €	516,618
lotal Non-Current Assets	A	\$ 100,702		<u>م</u> خ	13.	32,3/0 \$	177,741		<del> </del>	e	510,018
TOTAL ASSETS	δ	547,312 \$		-0- \$	13.	32,376 \$	133,001	<b>∞</b>	3,871	<b>⇔</b>	816,560
LIABILITIES											
Current Liabilities											
Accrued Pilot	↔	9,578 \$		٠ -		<b>\$</b> -	¢	<del>∽</del>	¢	↔	9,578
Accounts Payable		4,479		<b>-</b>		¢	¢		¢		4,479
Deferred Revenues		o o		<del>-</del> 0		<b>4</b>	5,760		3,871		9,631
Interprogram Due To	1	9,631		¢		¢	φ	ļ	<b>-</b>		9,631
Total Current Liabilities	<del>ده</del> ا	23,688 \$		-0-		-0-	5,760	8	3,871	<del>⇔</del>	33,319
Non-Current Liabilities											
Tenant Security Deposits	S			\$ -0-		\$ -0-	¢	<del>∽</del>	0-	S	6,052
Total Non-Current Liabilities	<b>∽</b>	6,052 \$		\$ <del>-0-</del>		\$ -0-	-0-	89	-0-	69	6,052
NET ASSETS											
Invested in Capital Assets, Net of Related Debt	<del>6∕3</del>	257,001 \$		<b>∽</b>	13	132,376 \$ -0-	127,241	<b>↔</b>	ф c	<del>6/3</del>	516,618
TOTAL NET ACCETS	ا پ	\$17.577 €		\  -  -	13	\$ 922 62	127 241	,	<b>;</b>   c	9	777 180
IOIAL NEL ASSETS	7			1			147,771		þ	ا	111,102

See accountant's report.

The accompanying notes are an integral part of this statement.

# Combining Statement of Revenues, Expenses, and Changes In Net Assets – Proprietary Funds Year Ended September 30, 2004 FW – 2265

	Business-Type Activities – Enterprise Funds					
		Other				<u> </u>
		Enterprise				
		Funds		Major Ent	terprise	Funds
		Low		2003		2002
		Rent		CFP		CFP
Operating Revenues:		-				<del></del>
Tenant Revenue	\$	125,000	\$	-0-	\$	-0-
Other Revenue		2,781		-0-		-0-
Total Operating Revenue	\$	127,781	\$	-0-	\$	-0-
Operating Expenses						
Administration:						
Administrative Salaries	\$	50,586	\$	<b>-</b> 0-	\$	-0-
EBC Administrative		3,984		-0-		-0-
Tenant Services						
Tenant Service Salaries		11,191		-0-		-()-
EBC Tenant Services		771		-0-		-0-
Other Operating - Administrative		12,750		-0-		-0-
Cost of Sales & Service						
Water		18,817		-0-		-()-
Electricity		3,402		-0-		-0-
Other Utilities		7,002		-O <b>-</b>		-0-
Ordinary Maintenance - Labor		36,765		-0-		-0-
Materials		19,359		329		204
Contract Cost		21,050		<b>-</b> 0-		<del>-</del> 0-
EBC Maintenance		2,823		-0-		-0-
Insurance		24,413		<b>-</b> 0-		-0-
Payment in Lieu of Taxes		9,578		-0-		-0-
Depreciation		20,171		-0-		-0-
Total Operating Expenses		242,662	\$	329	\$_	204
Operating Income (Loss)	\$	(114,881)	\$	(329)	\$	(204)
Non-operating Revenue (Expense)						
HUD PHA Operating Grant	\$	108,137	\$	329	\$	204
Federal Grants		-0-		-0-		121,991
Interest Earnings		1,759		-0-		-0-
Extraordinary Maintenance		(1,196)		-0-		-0-
Total Non-operating Revenue (Expenses)	_\$	108,700	\$	329	\$	122,195
Income (Loss) Before Contributions, Transfers						
and Prior Period Adjustments	\$	(6,181)	\$	-0-	\$	121,991
Capital Contributions		131,151		-0-		-0-
Prior Period Adjustment		64,359		-0-		-0-
Change in Net Assets	\$	189,329	\$	-0-	\$	121,991
Total Net Assets - Beginning	*****	328,243		-0-		5,250
Total Net Assets - Ending	\$	517 <u>,</u> 572	\$	-0-	_\$	127,241
			-			<del></del>

See accountant's report.

The accompanying notes are an integral part of this statement.

## Business-Type Activities - Enterprise Funds

	2001	177AJU	r Enterprise F 2000	41143	
	2001 CFP		CFP		Total
\$	-0-	\$	-0-	\$	125,000
	-0-		-0-		2,781
\$	-0-	\$	-0 <b>-</b>	\$	127,781
\$	-0-	\$	<b>-</b> 0-	\$	50,586
	- <b>0-</b>		-0-		3,984
	<del>-</del> 0-		-0-		11,191
	-0-		<del>-</del> 0-		771
	<del>-</del> 0-		-0-		12,750
	-0-		-0-		18,817
	-0-		-0-		3,402
	-0-		-0-		7,002
	-0-		-0-		36,765
	-0-		-0-		19,892
	-0-		-0-		21,050
	-0-		<del>-</del> 0-		2,823
	-0-		<b>-</b> 0-		24,413
	-0-		-0-		9,578
	6,190		-0-		26,361
\$	6,190	. \$	-0-	<u>\$</u>	249,385
<u>\$</u>	(6,190)		-0-		(121,604)
			_		
\$	-0-	\$	<b>-</b> 0-	\$	239,286
	130,616		-0-		121,991
	-0-		<b>-</b> 0-		1,759
	-0-		-0-		(1,196)
<u>\$</u>	130,616		-0-		361,840
\$	124,426	\$	-0-	\$	240,236
	-0-		(131,151)		<b>-</b> ()-
	-0-		-0-		64,359
\$	124,426	\$	(131,151)	\$	304,595
	7,950		131,151		472,594
\$	132,376	\$	-0-	\$	777,189

# Combining Statement of Cash Flows Year Ended September 30, 2004

FW-438

	Enterprise Funds					
		Major Enterprise Funds				
		Low Rent	<b>y</b> -	2003 CFP	<del>-</del>	2002 CFP
Cash Flows From Operating Activities						
Receipts From Customers and Users	\$	127,961	\$	-0-	\$	-0-
Payments to Suppliers		(118,815)		(329)		(204)
Payments to Employees Payment in Lieu of Taxes		(88,647) (8,247)		-0- -0-		-0- -0-
Net Cash Provided by Operating Activities	§	(87,748)	<b>\$</b>	(329)	\$	(204)
Net Cash Frovided by Operating Activides	<b>P</b>	(87,746)	<sup>Ф</sup>	(329)	<sup>-</sup>	(204)
Cash Flows From NonCapital Financing Activities						
Subsidy From Federal Grants	\$	-0-	\$	-0-	\$	121,991
Subsidy From Operating Grants		108,137		329		204
Net Cash Provided (used) by NonCapital Financing Activities	\$	108,137	\$	329	\$	122,195
Cash Flows From Capital and Related Financing Activities Other	\$	856	\$	-0-	\$	-0-
Acquisition and Construction of Capital Assets	Þ	-0-	Þ	-0- -0-	2	(121,991)
Net Cash Provided (used) by Capital and Related						(121,991)
Financing Activities	\$	856	\$	-0-	\$	(121,991)
A management of the second of	Ψ		··			(121)2212
Cash Flows From Investing Activities						
Investments	\$	59,378	\$	-0-	\$	-0-
Interest and Dividends Received	***************************************	1,759		-0-		-0-
Net Cash Provided (used) by Investing Activities	\$	61,137	\$	-0-	<b></b> \$	-0-
Net Increase in Cash	\$	82,382	\$	-0-	\$	<b>-</b> 0-
Cash, Beginning of Year	\$	103,096	s	-0-	\$	-0-
Cash, End of Year	\$	185,478	\$ \$	-0-	\$ \$	-0-
Cusii, Ditt of Total	<b>"</b> —	102,170	_ "		_ "—	
Reconciliation of Operating Income to Net Cash						
Provided (used) by Operating Activities						
Operating Income (Loss)	\$	(114,881)	<u> </u>	(329)	\$	(204)
D. C. C. C. France of	•	20.171	•	•	•	
Depreciation Expense (Increase) Decrease in Accounts Receivable	\$	20,171 768	\$	-0- -0-	\$	-0- -0-
(Increase) Decrease in Inventories		(332)		-0-		-0-
(Increase) Decrease in Prepaid Items		6,839		-0-		-0-
Increase (Decrease) in Accrued Pilot		1,331		-0-		-0-
Increase (Decrease) in Customer Deposits		180		-0-		-0-
Increase (Decrease) in Accounts Payable		188		-0-		-0-
Increase (Decrease) in Compensated Absences		(1,296)		-0-		-0-
Increase (Decrease) in Deferred Revenues		(716)		-0-		-0-
· · · · · · · · · · · · · · · · · · ·	<b></b>					*
Total Adjustments	\$	27,133	\$	-0-	···· <sub>2</sub> ·····	-0-
Net Cash Provided by Operating Activities	\$	(87,748)_	_ \$	(329)	\$	(204)
Listing of Noncash Investing, Capital, and						
Financial Activities Contributions of Capital Assets From Government	¢	131 157	•	Λ	¢	0
Contributions of Capital Assets From Government	\$	131,157	_ <sup>s</sup>	<del></del>	_ \$_	-0-

		Enterp	rise Funds		
			ise Funds		
	2001		2000		
	CFP		CFP		Total
_					Total
\$	-0-	\$	-0-	\$	127,961
-	(6,190)	-	-0-	_	(125,538)
	-0-		-0-		(88,647)
	-0-		-0-		(8,247)
\$	(6,190)	\$	-0-	\$	(94,471)
e	120 616	e	0	ø	252.00
\$	130,616	\$	-0-	\$	252,607
·	(6,190)			<sub></sub>	114,860
\$	136,806	<u> </u>	-0-	\$ <sub></sub>	367,467
\$	-0-	\$	-0-	\$	856
	(130,616)		-0-		(252,607)
\$	(130,616)	\$	<b>-</b> 0-	\$	(251,751)
Ψ	(130,010)	"		· <sup>w</sup>	(231,731)
\$	-0-	\$	-0-	\$	59,378
	-0-	····	-0-		1,759
\$	-0-	<u> </u>	<del>-</del> 0-	\$	61,137
\$	-0-	\$	-0-	\$	82,382
\$	-0-	\$	-0-	\$	103,096
\$	-0-	\$	-0-	\$	185,478
					*****
\$	(6,190)	\$	-0-	\$	(121,604)
\$	-0-	\$	-0-	\$	20,171
	-0-	·	-0-		768
	-0-		-0-		(332)
	-0-		-0-		6,839
	-0-		-0-		1,331
	-0-		-0-		180
	-0-		-0-		188
	-0-		-0-		(1,296)
	-0-		-0-		(716)
\$	-0-	\$	-0-	\$	27,133
<b>\$</b>	(6,190)	_ \$	-0-	<b>_</b> \$_	(94,471)
\$	-0-	\$	(131,157)	_ \$	-0-

## Schedule of Compensation Paid to Board Members Year Ended September 30, 2004 FW - 438

Board Member	<u>Title</u>	 Salary		
Ethel Williams	Chairman	\$ -0-		
David C. Wilson, Jr.	Vice-Chairman	-0-		
Donny Fitzgerald	Commissioner	-0-		
Donnis Bozeman	Commissioner	-0-		

# Audit Adjustments For the Year Ended June 30, 2004

<b>Description</b>	Debit	Credit
Deferred Revenues	\$64,359	
Fund Balance		\$64,359

To adjust insurance proceeds.

# Other Reports

# HOUSING AUTHORITY OF THE TOWN OF VIVIAN VIVIAN, LOUISIANA

## **Status of Prior Year Findings**

#### For the Year Ended September 30, 2004

Legislative Auditor State of Louisiana Baton Rouge, Louisiana 70804-9397

The management of the Housing Authority of the Town of Vivian, Louisiana has provided the following action summaries relating to audit findings brought to their attention as a result of their financial audit for the year ended September 30, 2003.

There were no prior year findings.

# JOHN R. VERCHER PC

Certified Public Accountant P.O. Box 1608

Jena, Louisiana 71342 Tel: (318) 992-6348 Fax: (318) 992-4374

#### MANAGEMENT LETTER COMMENTS

During the course of my audit, I observed conditions and circumstances that may be improved. Below are findings noted for improvement, my recommendation for improvement and the Housing Authority's plan for corrective action.

There are no current year comments.

#### LOUISIANA ATTESTATION QUESTIONNAIRE

January 3, 2005

#### JOHN R. VERCHER PC

Certified Public Accountant P.O. Box 1608 Jena, Louisiana 71342 Tel: (318) 992-6348

Fax: (318) 992-4374

In connection with your review of our financial statements as of September 30, 2004 and for the year then ended, and as required by Louisiana Revised Statute 24:513 and the *Louisiana Governmental Audit Guide*, we make the following representations to you. We accept full responsibility for our compliance with the following laws and regulation and the internal controls over compliance with such laws and regulations. We have evaluated our compliance with the following laws and regulations prior to making these representations.

These representations are based on the information available to us as of <u>January 15, 2004</u> (date of completion/representations).

#### Public Bid Law

It is true that we have complied with the public bid law, LSA-RS Title 38:2212, and, where applicable, the regulations of the Division of Administration, State Purchasing Office.

Yes [x] No []

#### Code of Ethics for Public Officials and Public Employees

It is true that no employees or officials have accepted anything of value, whether in the form of a service, loan, or promise, from anyone that would constitute a violation of LSA-RS 42:1101-1124.

Yes [x] No []

It is true that no member of the immediate family of any member of the governing authority, or the chief executive of the governmental entity, has been employed by the governmental entity after April 1, 1980, under circumstances that would constitute a violation of LSA-RS 42:1119.

Yes [x] No []

#### Budgeting

We have complied with the state budgeting requirements of the Local Government Budget Act (LSA-RS 39:1301-14) or the budget requirements of LSA-RS 39:34.

Yes [x] No []

#### Accounting and Reporting

All non-exempt governmental records are available as a public record and have been retained for at least three years, as required by LSA-RS 44:1, 44:7, 44:31, and 44:36.

Yes [x] No []

We have filed our annual financial statements in accordance with LSA-RS 24:514,	33:463, and/or 39:92,				
as applicable.	Yes [ x ] No [ ]				
We have had our financial statements audited or compiled in accordance with LSA-	-RS 24:513.				
	Yes [ x ] No [ ]				
Meetings We have complied with the provisions of the Open Meetings Law, provided in RS 4	42:1 through 42:12.				
	Yes [ x ] No [ ]				
Debt It is true we have not incurred any indebtedness, other than credit for 90 days or less to make purchases in the ordinary course of administration, nor have we entered into any lease-purchase agreements, without the approval of the State Bond Commission, as provided by Article VII, Section 8 of the 1974 Louisiana Constitution, Article VI, Section 33 of the 1974 Louisiana Constitution, and LSA-RS					
39:1410.60.	Yes [ x ] No [ ]				
Advances and Bonuses It is true we have not advanced wages or salaries to employees or paid bonuses in violation of Article VII, Section 14 of the 1974 Louisiana Constitution, LSA-RS 14:138, and AG opinion 79-729.					
	Yes [x] No []				
We have disclosed to you all known noncompliance of the foregoing laws and regulations, as well as any contradictions to the foregoing representations. We have made available to you documentation relating to the foregoing laws and regulations.					
We have provided you with any communications from regulatory agencies or other sources concerning any possible noncompliance with the foregoing laws and regulations, including any communications received between the end of the period under examination and the issuance of this report. We acknowledge our responsibility to disclose to you any known noncompliance which may occur subsequent to the issuance of your report.					
Secretary 1-1505	Date				
Treasurer	Date				

President

Date